Before The POSTAL RATE COMMISSION RECEIVED WASHINGTON, D.C. 20268-0001 5 4 30 Fil 198

Mailing Online Service Docket No. MC98-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS HAMM TO INTERROGATORIES OF OFFICE OF THE CONSUMER ADVOCATE (OCA/USPS-T6-1-2)

The United States Postal Service hereby provides the response of witness Hamm to the following interrogatories of Office of the Consumer Advocate:

OCA/USPS-T6-1-2, filed on July 27, 1998.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Kenneth N. Hollies

475 L'Enfant Plaza West, S.W. (202) 268-2999; Fax: -5402 Washington, D.C. 20260-1137 August 5, 1998



OCA/USPS-T6-1. In your autobiographical sketch, you state that the Printing Industries of America (PIA) is the largest printing and graphic arts association in America. Please list the other printing and graphic arts associations in the U.S. and give a short description of the makeup of their membership.

RESPONSE:

There are two other printing and graphic arts industry associations in the United States which represent the broader industry as opposed to a specific industry segment. Those associations are the National Association of Printers and Lithographers (NAPL) in Teaneck, New Jersey, and the Graphic Arts Technical Foundation (GATF) located in Sewickley, Pennsylvania. NAPL is a direct member association meaning that it has no state or regional organization or affiliations. Its membership is approximately 3,000 companies. While NAPL membership ranges from very small companies to large companies, their typical member is in the 100 to 200 employee size range. GATF is an education foundation which has recently consolidated its operations with PIA. Although PIA and GATF have commenced this consolidation, they remain independent organizations. GATF has approximately 950 members including printing firms, suppliers, academicians, and others who are part of the broader graphic arts education field.

OCA/USPS-T6-2. Please provide a description of a typical small printer with fewer than 20 employees. The purpose of this question is to educate the Commission and intervenors about the daily operation of the printing plants which might be interested in participating in this new service. To facilitate this, it might be appropriate to provide a "written tour." Please include in the description items such as (but not limited to): number and types of presses and other equipment; average size of the plant; types of printing done; average number and size of print runs per day; maximum capacity per day; and staffing positions.

RESPONSE:

Printer Profile - Sheetfed Printer with less than 20 Employees

There are approximately 20,000 general commercial sheetfed printers in the United States. These firms produce around \$13 billion in printing shipments each year and employ over 120,000 persons. Average sales per firm is just over \$640,000 and shipments per employee average over \$100,000.

A typical firm would have the following equipment:

Prepress Equipment

Computers:

3-4 Macintosh

3 PC/Windows

1 Windows NT

1 UNIX

Other:

Color electronic prepress system (desktop)

Desktop CCD scanner for black & white production

Desktop CCD scanner for full color production

Imagesetter

Press Equipment

Typically two Sheetfed presses-17 x 22 inches, 18 x 25 inches and one duplicator, possibly one 24 x 38 inch press.

Bindery/Finishing

Typically saddle stitching and shrinkwrap/bundling capability. More complex bindery services are outsourced.

Electronic File Capabilities

The typical small sheetfed printer can process customer files over phone lines or from disks and has electronic file storage capabilities, e-mail, and is on-line to the internet.

Job Profiles

The typical small sheetfed printer is running one shift and performing the following types of jobs:

By color:

One color-----50%

Spot color----35%

Process color---15%

By run length:

Less than 2000--44.5%

2000-10,000----44.6%

Over 10,000----10.9%

DECLARATION

I, John Hamm, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

John M Howe

Dated: 8/5/98 ____

CERTIFICATE OF SERVICE

hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Kenneth N. Hollies

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